



February 2, 2016

HOUSE RESOLUTION No. 13

Introduced by: Judy, Cox

February 1, 2016, read first time and referred to Committee on Ways and Means.

A HOUSE RESOLUTION urging the legislative council to assign to the appropriate study committee the topic of a FairTax at the state level.

Whereas, H.R.25, The FairTax Act of 2015, is known as a proposal in the Congress of the United States to repeal all federal individual and corporate income taxes, individual payroll taxes and corporate matching payroll taxes, individual and corporate capital gains taxes, estate and gift taxes; to impose a single-rate national consumption tax at the retail level only, on all purchases of new products and services within the United States; to establish a monthly family consumption tax rebate for qualified legal residents, and to authorize the states to collect the national consumption tax;



Whereas, Several states are studying or have introduced legislation to enact a consumption tax based on the same principles found in H.R.25, The FairTax Act, and South Carolina House Bill H. 3211 represents the most accurate model of a FairTax at the state level;

Whereas, The first state to enact FairTax legislation at a state level could initiate similar tax reform throughout the states;

Whereas, Businesses willing to relocate may move to states with FairTax laws to gain lower state tax liabilities, and legal United States residents may move to states with FairTax laws to gain employment, lower taxes, and family consumption tax rebates;

Whereas, To ensure that Indiana continues to prosper and grow, the topic of a FairTax at the state level should be comprehensively and thoroughly studied;

Whereas, Because a FairTax at the state level would require a major overhaul of the current Indiana tax code, an initial study should be conducted to determine the total consumption tax rate consisting of tax rates required to fund the state, plus the total local consumption tax rates required to fund each individual county, plus tax rates to fund the family consumption tax rebate; and

Whereas, A study analysis should be independently conducted by two universities in Indiana, and by a private institute with expertise in the study of state tax structures: Therefore,

*Be it resolved by the House of Representatives of the
General Assembly of the State of Indiana:*

- 1 SECTION 1. That the legislative council is urged to assign to the
- 2 appropriate study committee the topic of the FairTax Act at the state
- 3 level.

